



PUBLIC NOTICE

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DOMESTIC SECTION 214 APPLICATION GRANTED FOR THE TRANSFER OF CONTROL OF ROYAL TELEPHONE COMPANY TO MUTUAL TELEPHONE COMPANY OF SIOUX CENTER, IOWA D/B/A PREMIER COMMUNICATIONS

WC Docket No. 23-364

By this Public Notice, the Wireline Competition Bureau grants the application filed by Royal Telephone Company (Royal) and Mutual Telephone Company of Sioux Center, Iowa d/b/a Premier Communications (Mutual) (collectively, Applicants), pursuant to section 214(a) of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules,¹ requesting approval for the transfer of control of Royal to Mutual through a merger transaction by which Noble Acquisition, Inc. (Merger Sub) will be merged with and into Royal, with Royal surviving that merger. Royal and Mutual hold blanket domestic 214 authorizations.²

On November 17, 2023, the Bureau released a public notice seeking comment on the Application.³ The Bureau did not receive comments or petitions in opposition to the Application.

Royal, an Iowa corporation, is a rural incumbent local exchange carrier (LEC) that provides local and long-distance telecommunications, high-speed Internet access, and access services to roughly 300 residential and business customers in the Royal, Iowa exchange. Royal, an eligible telecommunications carrier (ETC) in Iowa, currently receives Connect America Fund (CAF) Broadband Loop support and high-cost loop support.⁴ Royal has elected to receive Enhanced

¹ See 47 U.S.C. § 214(a); 47 CFR §§ 63.03-04.

² Application for the Transfer of Control of Royal Telephone Company to Mutual Telephone Company of Sioux Center, Iowa d/b/a Premier Communications, WC Docket No. 23-364 (filed Nov. 6, 2023) (Application). Applicants filed a supplement to the Application on December 1, 2023. Supplement to Application for the Transfer of Control of Royal Telephone Company to Mutual Telephone Company of Sioux Center, Iowa d/b/a Premier Communications, WC Docket No. 23-364 (filed Dec. 1, 2023) (Supplement). Applicants also filed an application for the transfer of authorizations associated with international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

³ *Domestic Section 214 Application Filed for the Transfer of Control of Royal Telephone Company to Mutual Telephone Company of Sioux Center, Iowa d/b/a Premier Communications*, WC Docket No. 23-364, Public Notice, DA 23-1094 (WCB 2023) (*Public Notice*).

⁴ Application at 10, 12, Exh. B. Royal participates in the Lifeline program and Affordable Connectivity Program and will continue to do so post-consummation of the transaction. *Id.* at 11.

Alternative Connect America Cost Model (A-CAM) support beginning January 1, 2024.⁵ There are no persons or entities with a 10% or greater ownership in Royal.⁶

Mutual, an Iowa corporation, is a rural incumbent LEC that currently provides local exchange telecommunications service, access service, Internet, and advanced communications services to approximately 3,500 customers in the Sioux Center, Iowa exchange. Mutual wholly owns several incumbent LEC and competitive LEC affiliate providers of local exchange service in the state of Iowa.⁷ Mutual and Hospers receive A-CAM II support.⁸ Premier and Heartland receive Rural Digital Opportunity Fund Phase I Auction (Auction 904) support.⁹ Heartland also receives CAF II (Auction 903) support.¹⁰ There are no persons or entities with a 10% or greater ownership in Mutual.¹¹ No board member or officer holds a 10% or greater direct or indirect interest in any other domestic telecommunications provider.¹²

Pursuant to the terms of an Agreement and Plan of Merger, Mutual will acquire all or substantially all telecommunications operations and assets, property, rights, and interest (including all customer contracts and customer relationships) from Royal to provide Internet, telephone, video, and other communications services to customers in and around the Royal, Iowa area. The Applicants state, upon completion of the proposed transaction, such services will be provided by Royal as a wholly-owned subsidiary of Mutual. Royal and Mutual will continue to hold domestic section 214 authority in their respective serving areas.¹³ Applicants assert that the proposed transaction will promote the public interest by enabling roughly 300 Internet access customers in the area to benefit from Mutual's resources. Applicants further assert that Royal's relinquishment of the assets to Mutual will be seamless for consumers for the services offered, as Mutual will continue to provide and enhance the telecommunications and high-speed Internet access currently offered. Applicants also state the transfer is not expected to result in any discontinuance or impairment of the Internet access services provided to these customers. Applicants assert that the proposed transaction will also have limited adverse effects

⁵ Application at 10, 12, Exh. B. After January 1, 2024, Royal will no longer receive CAF BLS and HCL support. *Id.* at 12.

⁶ *Id.* at 4.

⁷ Northern Iowa Telephone Company (incumbent LEC) serves the Iowa exchanges of Hinton, Matlock, Maurice, Sanborn, Little Rock, and Granville; Premier Communications, Inc. (Premier) (competitive LEC) serves the Iowa exchanges of Akron, Ashton, Boyden, Doon, Hull, Ireton, Rock Valley, Rock Rapids, LeMars, Ocheyedan, Orange City, George, Merrill, Arnolds Park, Lake Park, Milford, Sheldon, and Spirit Lake; Webb-Dickens Telephone Corporation (incumbent LEC) serves the Iowa exchanges of Dickens and Webb; and Heartland Telecommunications Company of Iowa (Heartland) (incumbent LEC) serves the Iowa exchanges of Akron, Boyden, Doon, Hawarden, Hull, Ireton, Rock Rapids, Rock Valley, and Sibley local exchange areas in the State of Iowa, the North Rock Rapids exchange area in the State of Minnesota and the West Akron and West Hawarden local exchange areas in the State of South Dakota; and Hospers Telephone Exchange, Inc. (Hospers) (incumbent LEC) serves the Iowa exchange of Hospers. *Id.* at 7-8.

⁸ *Id.* at Exh. B.

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.* at 4.

¹² *Id.* at 5.

¹³ *Id.* at 7.

on competition in the area because there is no overlap between the Applicants' service areas or fiber facilities.¹⁴

We find, upon consideration of the record, that the proposed transfer will serve the public interest, convenience, and necessity.¹⁵

Pursuant to section 214(a) of the Act, 47 U.S.C. § 214(a) and sections 0.91, 0.291, 63.03, and 63.04 of the Commission's rules, 47 CFR §§ 0.91, 0.291, 63.03, and 63.04, we grant the Application. Pursuant to section 1.103 of the Commission's rules, 47 CFR § 1.103, the consent granted herein is effective upon the release of this Public Notice. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 CFR §§ 1.106, 1.115, may be filed within 30 days of the date of this Public Notice.

For further information, please contact Megan Danner at megan.danner@fcc.gov.

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¹⁴ *Id.* at 2, 8-9, 12, Exh. C.

¹⁵ *See* 47 U.S.C. § 214(a); 47 CFR § 63.03. Applicants attest that they will not close the transaction prior to January 1, 2024. Supplement at 1.